LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 6879 DATE PREPARED: Dec 20, 2001

BILL NUMBER: SB 260 BILL AMENDED:

SUBJECT: Township Officials.

FISCAL ANALYST: Valerie Ruda PHONE NUMBER: 232-9867

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a person may be appointed to perform the township trustee's duties when the trustee is incapable of performing the executive's function because the trustee is absent. The bill provides that the salary of an elected or appointed township official may not be reduced below the salary of the first year of the term immediately preceding the current term.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Currently, a person is appointed to perform the executive's duties when the executive is absent or is incapable of performing the appropriate duties because the executive becomes incapacitated. According to the provision in this bill, the appointed person is to perform the executive's duties when the executive is incapable to do so because of absence from the township, or becoming incapacitated.

The bill also provides that the salaries of township officials may be reduced, but not less than the fixed salary for the first year of the term of office immediately preceding the current term of office. Currently, the salary may be reduced no lower than the salary as fixed in the year 1980. This bill places a limit on the amount a township appointed or elected official's salary may be reduced. The fiscal impact of this provision would be dependent on local action.

Explanation of Local Revenues:

State Agencies Affected:

SB 260+ 1

Local Agencies Affected: Townships.

Information Sources:

SB 260+ 2